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MEMPHIS EAST
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TELETYPE ROOM

Reply to
Nashville Office

October 25, 2005

Chairman Ron Jones
Attn. Sharla Dillon
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

RE: Time Warner Telecom, Inc., Time Warner Telecom Holdings, Inc. and Time Warner
Telecom of the Mid-South, LLC for Approval to Issue Debt.

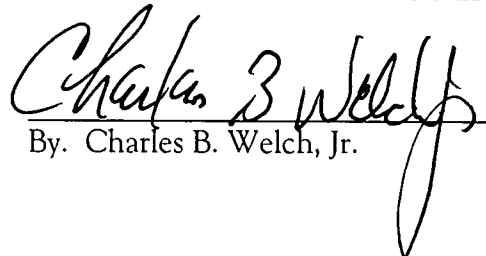
Dear Chairman Jones:

Please find enclosed for filing, an original and 14 copies of our letter requesting consideration of the referenced parties to issue debt. Please date stamp one copy for my records.

Thank you for your assistance regarding this matter. If you have any questions, or if I may be of further assistance, please do not hesitate to contact me. I remain,

Very truly yours,

**FARRIS MATHEWS BRANAN
BOBANGO HELLEN & DUNLAP, PLC**


By: Charles B. Welch, Jr.

CBW/jrh

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Reply to
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October 25, 2005

Chairman Ron Jones
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

HAND DELIVERED

RE: Time Warner Telecom of the Mid-South, LLC-Debt Financing Transactions
Docket No. 04-00051.

Dear Chairman Jones,

Time Warner Telecom Inc. ("TWTC Inc."), Time Warner Telecom Holdings, Inc. ("TWTC Holdings"), and Time Warner Telecom of the Mid-South, LLC ("TWTC TN") filed a Petition for approval to issue debt on February 17, 2004, in the referenced docket. The Petition was heard by the assigned panel of Directors on April 12, 2004, and the Order approving the financing transactions was entered on May 18, 2004. The total amount of long-term debt approved was \$950 million, consisting of \$400 million in fixed rate Senior Notes, \$400 million floating rate Senior Secured Notes, and a \$150 million senior secured revolving credit facility. Due to the pledge of the assets of the local operating subsidiary, TWTC TN, Tennessee Regulatory Authority ("Authority") approval was required pursuant to state law. A copy of the Petition and Order are attached hereto as Exhibit A.

TWTC sought and received Authority Staff ("Staff") confirmation by letter dated February 8, 2005, for reopening the debt offering based on TWTC's Board of Directors finding that "the timing is attractive given the current strength of the market" and the 2004 Authority Order. The initial offering approved by the 2004 Authority Order was closed due to then current market conditions. TWTC proposed that the reopened offering would proceed as a continuation of the initial offering on the same indenture but with more favorable interest rates and extended maturity dates without further action by the Authority. Subsequently, TWTC issued \$200 million in fixed rate Senior Notes. The initial letter and the subsequent letter of the Staff are attached hereto as Exhibit B.

Chairman Ron Jones

October 24, 2005

Page 2

Currently, TWTC Holdings intends to enter into a \$200 million incremental Term Loan B Credit Facility under the existing credit agreement. The obligations under the Term Loan B Credit Facility will be guaranteed by each state's operating subsidiary, including TWTC-TN, via a guarantee and pledge of the stock, interests and assets of each operating subsidiary. However, the assets of the local operating subsidiary, TWTC TN, will not be exposed to contingent liability, pursuant to the terms of its guaranty, in excess of the amount previously approved by the 2004 Authority Order. In addition, the revolving credit facility, under the existing credit facility, will be reduced from \$150 million to \$110 million (subject to the closing of the Term Loan B Credit Facility and the funding of the loans thereunder).¹ The total long-term debt from the referenced transactions will be \$950 million.

The funds from the Term Loan B Credit Facility will be used to fund capital expenditures and working capital needs. Primarily, the Term Loan B Credit Facility will also allow the Company to redeem certain existing Senior Notes due in 2008 in the approximate amount of \$200 million and, thus, retire a portion of existing debt. The proposed transaction will result in a reduction of long-term debt in an amount equivalent to the new credit facility indebtedness. In light of the fact that TWTC Holdings originally issued only \$200 million of the \$400 million Fixed Rate Senior Notes, the \$950 million of long-term debt previously approved by the Authority would not be exceeded by the proposed transaction even before retiring the existing 2008 Senior Notes.

At this time, the TWTC does not have any plans to undertake any material acquisition of property in the State of Tennessee. However, the proceeds from the proposed transactions will indirectly benefit TWTC TN by allowing for, among other things, financial flexibility, overall enhancements to business operations and improvement in TWTC TN's service capabilities.

Based upon my analysis of the debt offering and the Authority record, it would appear that the debt offering would not require approval or any further consideration by the Authority or its Directors. I would appreciate your written confirmation that my analysis is accurate. Due to the time sensitive nature of this matter, your response by Monday, October 31, 2005, would be greatly appreciated. Thank you for your time and consideration of this matter. I remain,

Yours very truly,

Farris Mathews Branan
Bobango Hellen & Dunlap, PLC

By:


Charles B. Welch, Jr.

¹ The credit facility would also be amended in order to modify certain covenants

Chairman Ron Jones

October 24, 2005

Page 3

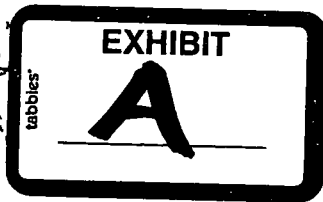
CBW/jrh

Enclosures

Cc: Carolyn Marek

Vice President Regulatory-Southeast of Time Warner Telecom, Inc.

(without enclosures)



BEFORE THE

TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

IN RE

PETITION OF TIME WARNER TELECOM,
INC , TIME WARNER TELECOM HOLDINGS,
INC AND TIME WARNER TELECOM
OF THE MID-SOUTH, LLC FOR APPROVAL
TO ISSUE DEBT

DOCKET NO _____

PETITION

Time Warner Telecom, Inc ("TWT Inc"), Time Warner Telecom Holdings Inc ("TWTC Holdings"), and Time Warner Telecom of the Mid-South, LLC ("TWTC TN", and together with TWT Inc and TWTC Holdings, the "Petitioners"), through their undersigned counsel, hereby submit this Petition for approval to issue debt (the "Petition") to the Tennessee Regulatory Authority (the "Authority") pursuant to Tennessee Code Annotated Section 65-4-109. Petitioners respectfully request that the Authority determine it has no jurisdiction over the issuance of debt by TWTC Holdings (since it is at the parent or holding company level) or, in the alternative, for approval from the Authority to engage in the financing transactions described herein on an expedited basis.

Petitioners submit the following information in support of the petition

I. PARTIES

TWTC Holdings is a corporation duly organized and existing under the laws of Delaware. TWTC Holdings' principal office is located at 10475 Park Meadows, Littleton, Colorado. TWTC Holdings is a direct, wholly owned subsidiary of TWTC Inc. TWTC TN is a wholly owned subsidiary of TWTC Holdings. TWTC TN is certificated by the Authority and operates in Tennessee as a facilities-based telecommunications carrier.

II. DESIGNATED CONTACTS

The designated contacts for questions concerning this Petition are as follows

Charles B. Welch, Jr
Farris Mathews Branam Bobango Hellen & Dunlap, PLC
618 Church Street, Suite 300
Nashville, TN 37219
Tel (615) 726-1200
Fax (615) 726-1776

III. DESCRIPTION OF THE PROPOSED TRANSACTIONS

Petitioners seek authority for TWTC Holdings to issue up to \$400 million in fixed rate Senior Notes and up to \$400 million in floating rate Senior Secured Notes (collectively the "Notes"). The obligations under the Notes will be guaranteed by each state level operating subsidiary of TWTC Holdings, including TWTC TN, via a guarantee and pledge of the stock, interests and assets of each operating subsidiary. The size, pricing and the blend between the two tranches of Notes will be based on market demand.

In addition, Petitioners seek authority to enter into a new senior secured revolving credit facility of approximately \$150 million. The senior secured facility will be guaranteed by each state level operating subsidiary of TWTC Holdings, including TWTC TN, via a guarantee and pledge of their stock, interests and assets.

The funds raised by the foregoing transactions may initially be used to repay an existing credit facility and other existing debt and to fund capital expenditures and working capital needs. The maximum anticipated long-term debt for which authority is requested is \$950 million.

IV. SPECIFIC TERMS

A. TWT Inc. is a leading provider of managed network solutions to a wide range of business customers throughout the United States. TWT Inc., through its various subsidiaries, including TWTC Holdings and TWTC TN, operates in 44 metropolitan markets and, as of

September 30, 2003, had networks spanning over 18,000 route miles and containing over 889,000 fiber miles

B TWTC Holdings intends to enter into a Credit Agreement pursuant to which a consortium of lenders has agreed to advance up to approximately \$150 million to TWTC Holdings under a revolving credit facility. It is anticipated that amounts borrowed by TWTC Holdings will have a final maturity date in February 2009. Obligations under the Credit Agreement will bear interest at an adjustable rate plus an applicable margin, and interest will be payable quarterly in arrears. TWTC Holdings' obligations under the Credit Agreement will be guaranteed by each state level operating subsidiary, including TWTC TN, via a guarantee and pledge of their stock, interest and assets.

In addition, TWTC Holdings intends to issue (i) floating rate Senior Secured Notes, due in 2011, in the aggregate principal amount of up to \$400 million and (ii) fixed rate Senior Notes, due in 2014, in the aggregate principal amount of up to \$400 million. The 2011 notes will mature on February 15, 2011, and the 2014 notes will mature on February 15, 2014. The 2011 notes will bear interest at a floating rate equal to LIBOR plus 4% per year. Interest on the 2011 notes will be reset quarterly and will be payable quarterly on February 15, May 15, August 15 and November 15 of each year, beginning on May 15, 2004. The 2014 notes will bear interest at a rate per annum equal to 9¼ percent. Interest on the 2014 notes will be payable semi-annually on February 15 and August 15 of each year, beginning on August 15, 2004. TWTC Holdings' obligations under the Notes will be guaranteed by each state level operating subsidiary, including TWTC TN, via a guarantee and pledge of the stock, interests and assets of each operating subsidiary.

C Net proceeds derived from the proposed transactions will be used to retire TWTC Holdings' existing senior secured credit facility and for working capital that will be used for general corporate purposes

D At this time, the Petitioners do not have any plans to undertake any material acquisition of property in the State of Tennessee. However, the proceeds from the proposed transactions will indirectly benefit TWTC TN by allowing for, among other things, financial flexibility, overall enhancements to business operations and improvement in TWTC TN's service capabilities

V. APPROVAL IS IN THE PUBLIC INTEREST

If the Authority finds it possesses jurisdiction over the proposed transaction, approval of the Petition is in the public interest as it will enable TWTC Holdings to obtain additional financing and working capital critical to the ability of TWTC TN to continue to offer competitive services in Tennessee

The proceeds from the proposed transaction will indirectly benefit TWTC TN by allowing the following: (i) elimination of the current secured bank credit facility by paying back \$396 million drawn under that facility, (ii) payment of other existing long term debt, thus creating financial flexibility, (iii) expenditure of capital for construction of facilities and upgrades to Petitioners' existing national network, (iv) overall enhancements to business operations, and (v) improvement in Petitioners' service capabilities to the benefit of their customers. In addition, consumers will continue to receive increased benefits of facilities-based competition, including diversity in routing, network redundancy and increased network reliability, lower-priced, high-quality services, broader customer choice and service innovation. The requested financing authority will strengthen Petitioners' ability to compete in the local exchange service market by providing access to greater financial resources. These resources will

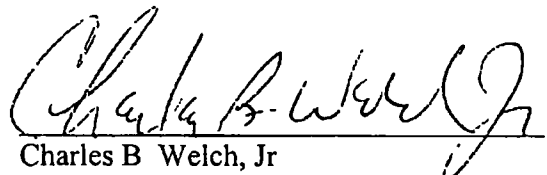
allow Petitioners to respond to competitive pressures in the evolving telecommunications market and to continue to provide consumers with full facilities-based competitive choice. Thus, Authority approval of this Petition will bolster the Authority's long-standing goal of fostering full facilities based competition in the telecommunications market and is in the public interest.

WHEREFORE, Petitioners respectfully request that the Authority determine it does not have jurisdiction over the proposed long term debt issuance and credit facility or, in the alternative, approve the identified transactions on an expedited basis.

Dated February 17, 2004

Respectfully submitted,

FARRIS MATHEWS BRANAN
BOBANGO HELLEN & DUNLAP, PLC

A handwritten signature in cursive script, appearing to read "Charles B. Welch, Jr.", written over a horizontal line.

Charles B. Welch, Jr.
618 Church Street, Suite 300
Nashville, TN 37219
Tel (615) 726-1200
Fax (615) 726-1776

Attorneys for

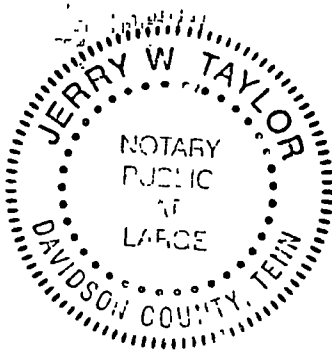
Time Warner Telecom, Inc
Time Warner Holdings, Inc and
Time Warner of the Mid-South, LLC

VERIFICATION

STATE OF TENNESSEE)
)
COUNTY OF DAVIDSON)

I, Carolyn M Marek, being duly sworn, deposes and states as follows

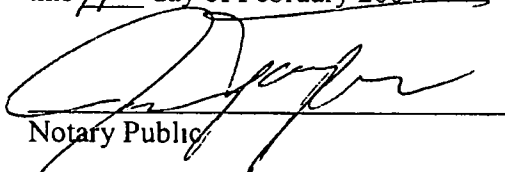
- 1 I am Vice President Regulatory – Southeast of Time Warner Telecom, Inc
- 2 I have reviewed the foregoing Verified Petition and the statements of fact contained therein are true and correct to the best of my knowledge, information and belief



TIME WARNER TELECOM, INC.

By 
Carolyn M. Marek
Vice-President Regulatory – Southeast

Sworn to and subscribed before me
this 17th day of February 2004


Notary Public



**FARRIS MATHEWS BRANAN
BOBANGO HELLEN & DUNLAP, PLC**

ATTORNEYS AT LAW

HISTORIC CASTNER-KNOTT BUILDING
618 CHURCH STREET, SUITE 300
NASHVILLE, TENNESSEE 37219

filed
2/5/05

Charles B. Welch, Jr.
cwelch@farrismathews.com

Telephone (615) 726-1200
Facsimile (615) 726-1776

Writers Direct Dial:
615-687-4230

February 4, 2005

Mr. Aster Adams
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505

HAND DELIVERED

RE: Time Warner Telecom of the Mid-South, LLC-Debt Financing Transactions
Docket No. 04-00051

Dear Mr. Adams:

As we have discussed, Time Warner Telecom, Inc., et al. ("TWTC") filed its petition for approval to issue debt on February 17, 2004 in the referenced docket. The petition was heard by the assigned panel of directors on April 12, 2004 and the order approving the financing transactions was entered on May 18, 2004.

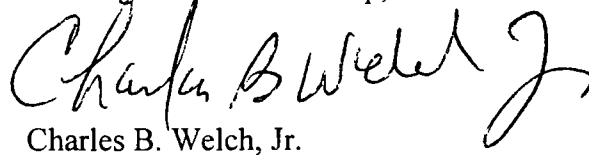
The approved transaction contemplated TWTC Holdings, Inc. issuance of up to \$400 million in fixed rate Senior Notes and up to \$400 million in floating rate Senior Notes, a total of \$800 million in senior notes, in addition to a new senior secured revolving credit facility of approximately \$150 million. Following TRA approval, notes were issued in an amount of \$440 million. Due to then current market conditions, the debt offering was closed in anticipation of reopening the offering upon favorable market changes. Recently, the board of directors approved the reopening of the offering upon their finding that "the timing is attractive given current strength of the market". It is proposed that the offering will proceed as a continuation of the initial offering on the same indenture but with more favorable interest rates and extended maturity dates, thus gaining a lower coupon. Although the Tennessee operating entity, Time Warner Telecom of the Mid-South, LLC will increase the amount of its guaranty by the additional amount of the indebtedness incurred as a result of the continuation offering, no additional collateral will be pledged by it. I would point out that the guaranty of the local operating entity would have been greater than its current level, if the offering had been completed as anticipated at or around the time of the TRA 2004 approval. In other words, there has been no material changes in the terms or conditions of this transaction since the Agency's previous

evaluation due to the lapse in the timing of its closing.

Based upon my analysis of the debt offering and the TRA record, it would appear that the reopening of the debt offering would not require approval or any further consideration by the Authority or its Directors. I would appreciate your written confirmation that my analysis is accurate. Due to the time sensitive nature of this matter, your response by Monday, February 7, 2005 would be greatly appreciated. Thank you for your time and consideration I remain,

Very truly yours,

Farris Mathews Branan
Bobango Hellen & Dunlap, PLC

A handwritten signature in cursive script, reading "Charles B. Welch, Jr.", written in dark ink. The signature is fluid and stylized, with a large, sweeping "J" at the end.

Charles B. Welch, Jr.

TENNESSEE REGULATORY AUTHORITY

Pat Miller, Chairman
Deborah Taylor Tate, Director
Sara Kyle, Director
Ron Jones, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

February 8, 2005

HAND DELIVERY

Charles B. Welch, Jr., Esq.
Farris, Mathews, Branam, Bobango, Hellen, & Dunlap P.L.C.
Historic Castner-Knott Building
618 Church Street, Suite 300
Nashville, TN 37219

Re: Time Warner Telecom of the Mid-South, LLC – Debt Financing Transactions
TRA Docket No. 04-00051

Dear Mr Welch,

I am writing in response to your letter of February 4, 2005 addressed to Aster Adams regarding the transaction of Time Warner Telecom Inc., et al., ("TWTC") approved by the Tennessee Regulatory Authority ("TRA") in the above captioned docket. As indicated in your letter, TWTC filed a petition with the TRA on February 17, 2004 for approval of debt issuance that involved the pledge of the Tennessee assets of Time Warner Telecom of the Mid-South, LLC ("Time Warner"). The petition was approved by the TRA on April 12, 2004 with that decision being reflected in an Order issued on May 18, 2004. While the Order describes the transaction, in part, it specifically reflects approval of the petition as filed with the TRA.

Your letter of February 4, 2005 indicates that the transaction being contemplated by TWTC Holdings, Inc. "will proceed as a continuation of the initial offering on the same indenture.." and that while Time Warner "will increase the amount of its guaranty by the additional amount of indebtedness incurred as a result of the continuation offering, no additional collateral will be pledged by it." The Order of May 18, 2004 approved the transaction set forth in the petition filed on February 17, 2004 and the proposed offering is a continuation of that transaction, resulting in no additional pledge of the Tennessee assets of Time Warner. Accordingly, it appears that no additional approval of the transaction proposed in your letter of February 4, 2005 is required, provided that TWTC does not issue notes totaling in excess of the \$800 million (\$400 million in fixed rates and \$400 million in floating rates) and does not borrow more than the \$150 million in revolving credit as approved in the May 18, 2004 Order.

Should you have any questions or if there is a change in the factual scenario, please do not hesitate to contact me.

Very truly yours,

J. Richard Collier

J. Richard Collier
General Counsel

cc. Pat Miller, Chairman
Aster R. Adams, Chief of Competitive Markets and Policy Division